



## **Pensions Fund Committee**

Minutes of a meeting of the Pensions Fund Committee held at Jeffrey Room, The Guildhall, St Giles Street, Northampton, NN1 1DE on Monday 24 July 2023 at 4.00 pm.

### **Present:**

Councillor Malcolm Longley (Chair)  
Councillor Charles Morton (Vice-Chair)  
Councillor Phil Bignell  
Councillor Lloyd Bunday  
Councillor Janice Duffy  
Councillor Graham Lawman  
Councillor Peter Matten  
Councillor Cathrine Russell  
Robert Austin  
Peter Borley-Cox  
Paul Wheeler  
Elnora Latchman

David Crum  
Chris West – Mercer  
Peter Gent - Mercer

### **Apologies for Absence:**

Councillor Jamie Lane  
James Smith, Assistant Director of Finance

### **Officers:**

Fiona Coates, Pension Services Financial Manager  
Cory Blose, Employer Services and Communications Manager  
Jeverly Findlay, Committee Officer  
Mark Whitby, Head of Pensions

#### **160. Declarations of Interest**

Councillor Graham Lawman declared an interest as his wife was a deferred member of the LGPS.

#### **161. Minutes**

Councillor Phil Bignell clarified that his wife was an active, not a deferred member of the LGPS.

**RESOLVED:**

That the minutes of the Investment sub-committee of 28 June 2023, subject to the amendment above, be approved and signed as a correct record.

162. **Review of Employer Contributions**

The Employer Services and Communications Manager presented the Review of Employer Contribution Rates policy which set out the circumstances under which the Fund may review employer contribution rates between triennial valuations. The policy had previously been approved as part of the 2019 Funding Strategy Statement. There were some minor changes and out of date references removed but the substance and effect of the policy had not been changed.

Further to enquiries, the Employer Services and Communications Manager advised that if an employer wanted to review their contributions this would be done in consultation with an actuary. The Head of Pensions added that they did not know of any employers seeking to do this currently.

The Fund would consider requests from employers to review their contribution rates but only where there was a material change in the strength of covenant, if there was a change in the ability of the employer to pay their contributions or where there was a significant restructure which impacted their membership and consequently liabilities.

**RESOLVED:**

That the Pension Committee approve the Review of Employer Contribution Rates policy.

163. **Training Strategy**

The Head of Pensions advised that there had been fundamental changes made to the Fund's training approach following the introduction of LOLA, the LGPS Online Learning Academy provide by Hymans Robertson. All Members of the Committee should have received their invites from Hymans to enable them to undertake their core training. The mandatory modules would need to be completed in 12 months and it was suggested that current issue modules be undertaken in 3 months. Potentially, bespoke training may also be provided. The training strategy had been approved at the Local Pension Board in June with no changes.

**RESOLVED:**

That the Pension Committee approve the Northamptonshire Pension Fund Training Strategy.

164. **Northamptonshire Pension Fund Audit Plan 2022-23**

The Pension Services Financial Manager highlighted the main areas of risk on page 57 of the report, which were Level 3 investments, management overrides of controls and triennial valuation. The planning materiality for investment related transactions was £48.1 million and non-investment related transactions £12.9 million.

The key milestones were set out on page 65, an interim audit had been undertaken in February, the year end audit is currently underway and weekly meetings are being held with the auditors.

William Howard from Grant Thornton provided a presentation on the Northamptonshire Pension Fund Audit Plan 2022-23. Significant risks were consistent with previous years. The audit fees were set out on page 66 and 67 and had been agreed. William Howard thanked the Finance team for their assistance with the audit.

Councillor Lawman queried the size of the materiality for non-investment related transactions at 10%. William Howard advised that it was the biggest risk and deemed to be an appropriate threshold. This year the percentage had reduced on materiality of transactions compared to previous years.

**RESOLVED:**

That the Committee note the External Audit Plan 2022-23 and the presentation by Grant Thornton.

165. **Draft Annual Report and Statement of Accounts 2022-23**

The Pension Services Financial Manager presented the Statement of Accounts 2022-23 which had been produced in line with CIPFA guidelines. There were some sections that were yet to be completed, as this information was yet to be provided by third parties. The contributions, benefits and investment income for 2022-23 had increased since prior year.

Paul Wheeler highlighted that there was a reference to the Audit Commission on page 95 and believed that this terminology was now out of date. The Head of Pensions agreed that this should be amended.

With regard to the Internal Dispute Resolution Procedure, the Head of Pensions explained that he was the stage 1 adjudicator and disputes often escalated to stage 2, despite being upheld at stage 1, due to the financial award being deemed inadequate. Financial awards are generally made with reference to Pensions Ombudsman guidance on redress payments.

Councillor Graham Lawman considered that the report was comprehensive but highlighted that it did not mention liabilities. The Head of Pensions noted that the funding levels and liabilities were included in the actuary's report.

**RESOLVED:**

That the Pension Committee note the Draft Annual Report and Draft Statement of Accounts of the Pension Fund for the 2022-23 financial year.

166. **Northamptonshire Pension Fund Forward Agenda Plan**

The Pension Services Financial Manager drew Members' attention to the Pension Fund Forward Agenda Plan.

**RESOLVED:**

That the Northamptonshire Pension Fund Forward Agenda Plan be noted.

167. **Exclusion of Press and Public**

**RESOLVED:** That Under Section 100A of the Local Government Act 1972, the Local Pension Board agreed that the public be excluded from the meeting for the following items of business on the grounds that if the public were present it would be likely that exempt information under Part 3 of Schedule 12A to the Act would be disclosed to them.

The meeting closed at 5.25 pm

Chair: \_\_\_\_\_

Date: \_\_\_\_\_